FACT SHEET

ELECTRIC ARC FURNACE NSPS AMENDMENT

TODAY'S ACTION

- The Environmental Protection Agency (EPA) is proposing to amend two standards of performance for new stationary sources for electric arc furnaces (EAF). One of these sets of standards applies to facilities constructed after October 21, 1974, and on or before August 17, 1983. A second set of standards of performance applies to EAF constructed after August 17, 1983.

- An EAF is used to produce carbon and alloy steels from scrap steel. There are over 200 EAF furnaces in the US. Approximately 130 are subject to one of these two sets of performance standards.

- EPA is proposing to amend the rules to allow bag leak detection (a method of monitoring for torn or leaking bags in the baghouse) coupled with daily observations of the clarity or "opacity" of air emissions from stacks as an alternative to a practice known as continuous opacity monitoring. The changes will not remove any of the rules' pollution control requirements, but will provide owners and operators more flexibility in complying with the rule while maintaining the environmental benefit.

- EPA is also making a number of editorial changes which either correct or clarify rule language. These editorial changes will not effect the rules' applicability or requirements.

BACKGROUND

- Under the Clean Air Act, EPA is required to set "new source performance standards" to ensure that emissions from newly built or reconstructed facilities meet strict limits. These limits are generally more stringent than emission limits set for existing facilities already in operation.

- The performance standards for EAF constructed after October 21, 1974, and on or before August 17, 1983 were first promulgated in the Federal Register on September 25, 1975.

- The performance standards for EAF constructed after August 17, 1983 were first promulgated in the Federal Register on October 31, 1984.

- Since particulate matter emissions darken the exhaust from EAF facilities, one way to monitor emissions of air pollutants is to monitor the opacity or clarity of the emissions. Opacity of emissions from the devices used to control particulate matter emissions is limited to 3% in both existing regulations. Currently, owners and operators of EAF which are controlled by a device known as a single stack baghouse are required to monitor opacity continuously using a

continuous opacity monitor (COM.)

- In October 2000, the American Iron and Steel Institute, the Specialty Steel Industry of North America, and the Steel Manufacturers Association petitioned EPA to amend the monitoring requirements contained in the EAF performance standards. They pointed to "technical limitations" associated with COM that may make this monitoring technique inappropriate for monitoring against the 3% opacity emission limit.

- Today's amendment is in response to the petition. This proposed amendment would provide facilities with an alternative to the COM requirements.

WHAT ARE THE HEALTH AND ENVIRONMENTAL BENEFITS?

- The proposed alternative monitoring requirements are better for assessing the performance of the control device used to reduce emissions from EAF, and will result in improved performance of the control device.

- Improved control device performance will reduce emissions of particulate matter, including fine particulates.

WHO WOULD BE AFFECTED BY EPA'S AMENDMENT?

- Owners and operators of EAF who are currently subject to either existing new source performance standard and who are required to operate a COM would be affected by this amendment.

- Of the over 130 facilities in the US subject to the EAF NSPS approximately 60 are currently required to operate a COM.

HOW DOES THE EPA'S PROPOSAL PROVIDE FLEXIBILITY TO INDUSTRY?

- The amendment provides owners and operators alternatives to existing monitoring requirements. The existing requirements will still be available for those owners and operators that choose to use them.

HOW MUCH WOULD THE EPA'S PROPOSED REGULATION COST?

- EPA has estimated that if all affected sources currently required to operate COM elect to use the alternative monitoring requirements, the nationwide cost impact would be approximately $400,000, or $6,000 per source. The majority of the cost is associated with daily opacity observations. These are voluntary alternatives, and are being added at the request of the industry.

FOR FURTHER INFORMATION

- Interested parties can download the rule from the EPA's web site on the Internet under recently signed rules at the following address: (http://www.epa.gov/ttn/oarpg/rules.html). For further information about the proposal, contact Mr. Kevin Cavender of the EPA's Office of Air Quality Planning and Standards at (919)541-2364.

- The EPA's Office of Air and Radiation's homepage on the Internet contains a wide range of information on the EPA's air pollution programs and issues. The Office of Air and Radiation's homepage address is: (http://www.epa.gov/oar/).